MONTANA LEGISLATIVE HISTORY

Chapter 232 19 79

Bill H 802 S _____ Original bill & history X C

H. Committee on Business and Industry			S. Committee on Business and Industry		
Hearing Date(s)	Feb 19	✓ C	Hearing Date(s)	Mar 05	✓ C
	_____	___ C		_____	___ C
	_____	___ C		_____	___ C
	_____	___ C		_____	___ C
Date Out	Feb 19	✓ C		Mar 05	✓ C

Did this bill originate in an interim committee? ___ Yes ___ No

Committee _____ Report _____

CHAPTER NO. 237

HOUSE BILL NO. 802

INTRODUCED BY LIEN

IN THE HOUSE

February 14, 1979	Introduced and referred to Committee on Business and Industry.
February 19, 1979	Committee recommend bill do pass. Report adopted.
February 21, 1979	Second reading, pass consideration.
February 22, 1979	Second reading, do pass.
February 23, 1979	Considered correctly engrossed.
	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 23, 1979	Introduced and referred to Committee on Business and Industry.
March 5, 1979	Committee recommend bill be concurred in. Report adopted.
March 7, 1979	Second reading, concurred in.
March 9, 1979	Third reading, concurred in.

IN THE HOUSE

March 10, 1979	Returned from second house. Concurred in. Sent to enrolling.
	Reported correctly enrolled.

HOUSE BILL NO. 802

INTRODUCED BY Lem

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE RURAL ELECTRIC AND TELEPHONE COOPERATIVE ACT TO AUTHORIZE RURAL TELEPHONE COOPERATIVES TO ESTABLISH, MAINTAIN, AND OPERATE CABLE TELEVISION AND BROADBAND SYSTEMS AND FACILITIES FOR THE BENEFIT OF ITS TELEPHONE CUSTOMERS; AMENDING SECTIONS 35-18-102, 35-18-105, AND 35-18-106, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 35-18-102, MCA, is amended to read:

"35-18-102. Definitions. (1) Corporations organized under this chapter and corporations which become subject to this chapter in the manner hereinafter provided are hereinafter referred to as "cooperatives".

(2) In this chapter, unless the context otherwise requires the following definitions apply:

(a) "Cable television system" means a system that receives and amplifies the signals broadcast by one or more television stations and redistributes the signals to subscribing members of the public for a fixed or periodic fee by wire, cable, microwave, or other means, whether such means are owned or leased.

LC 1508/01

(b) "Broadband" means transmission facilities capable of handling frequencies greater than those required for high grade voice communication (higher than 4 kilohertz).

~~(c)~~ (c) "Member" means each incorporator of a cooperative and each person admitted to and retaining membership therein and shall include a husband and wife admitted to joint membership.

~~(d)~~ (d) "Person" includes any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic.

~~(e)~~ (e) "Rural area", as applied to all corporations organized under the provisions of 35-18-105(1), means any area not included within the boundaries of any incorporated or unincorporated city, town, village, or borough having a population in excess of 3,500 persons on March 17, 1939, or subsequent thereto, and every incorporated municipality in which 95% or more of the premises are served by an electric cooperative on February 1, 1971; "rural area", as applied to all corporations organized under the provisions of 35-18-105(2), means any area not included within the boundaries of any incorporated or unincorporated city or town having a population in excess of 1,500 persons."

Section 2. Section 35-18-105, MCA, is amended to read:

"35-18-105. Permissible purposes for incorporation.

Cooperative nonprofit membership corporations may be organized under this chapter for the following purposes:

(1) for the purpose of supplying electric energy and promoting and extending the use thereof in rural areas, as provided in this chapter;

(2) for the purpose purposes of making generally available in rural areas adequate telephone service, cable television service, or broadband facilities through the improvement and expansion of existing telephone, cable television, or broadband facilities and the construction and operation of such additional facilities as are required to assure the availability of such service to the widest practicable number of rural users thereof, provided that nonduplication of lines, facilities, or systems providing reasonably adequate service will result therefrom."

Section 3. Section 35-18-106, MCA, is amended to read:

"35-18-106. Powers of cooperatives. A cooperative shall have power to:

(1) sue and be sued in its corporate name;

(2) have perpetual existence;

(3) adopt a corporate seal and alter the same at pleasure;

(4) become a member in one or more other cooperatives or corporations or to own stock therein;

(5) construct, purchase, take, receive, lease as

lessee, or otherwise acquire and to own, hold, use, equip, maintain, and operate and sell, assign, transfer, convey, exchange, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber electric transmission and distribution lines or systems, electric generating plants, electric refrigeration plants, telephone lines, facilities or systems (but not telegraph or radio broadcasting services or facilities) as defined by law, lands, buildings, structures, dams, plants and equipment, and any and all kinds or classes of real or personal property whatsoever, which shall be deemed necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized;

(6) purchase or otherwise acquire and own, hold, use, and exercise and sell, assign, transfer, convey, mortgage, pledge, hypothecate, or otherwise dispose of or encumber franchises, rights, privileges, licenses, rights-of-way, and easements;

(7) borrow money and otherwise contract indebtedness and issue notes, bonds, and other evidences of indebtedness therefor and secure the payment thereof by mortgage, pledge, deed of trust, or any other encumbrance upon any or all of its then owned or after-acquired real or personal property, assets, franchises, revenues, or income;

(8) construct, maintain, and operate electric

transmission and distribution lines or telephone, cable television, or broadband lines, facilities, or systems along, upon, under, and across all public thoroughfares, including without limitation all roads, highways, streets, alleys, bridges, and causeways and upon, under, and across all publicly owned lands, subject, however, to the same requirements in respect of the use of such thoroughfares and lands as are imposed by the respective authorities having jurisdiction thereof upon corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(9) exercise the power of eminent domain in the manner provided by the laws of this state for the exercise of that power by corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(10) conduct its business and exercise any or all of its powers within or without this state;

(11) adopt, amend, and repeal bylaws;

(12) in the case of corporations organized under the provisions of 35-18-105(1):

(a) generate, manufacture, purchase, acquire, accumulate, and transmit electric energy and distribute, sell, supply, and dispose of electric energy in rural areas to its members, to governmental agencies and political

subdivisions, and to other persons not in excess of 10% of the number of its members;

(b) make loans to persons to whom electric energy is or will be supplied by the cooperative for the purpose of and otherwise to assist such persons in wiring their premises and installing therein electrical and plumbing fixtures, appliances, apparatus, and equipment of any and all kinds and character and, in connection therewith, purchase, acquire, lease, sell, distribute, install, and repair such electrical and plumbing fixtures, appliances, apparatus, and equipment and accept or otherwise acquire and sell, assign, transfer, endorse, pledge, hypothecate, and otherwise dispose of notes, bonds, and other evidences of indebtedness and any and all types of security therefor;

(c) make loans to persons to whom electric energy is or will be supplied by the cooperatives for the purpose of and otherwise to assist such persons in constructing, maintaining, and operating electric refrigeration plants;

(13) in the case of corporations organized under the provisions of 35-18-105(2):

(a) improve and expand existing telephone lines, facilities, and systems in rural areas and construct, acquire, operate, and furnish such additional telephone lines, facilities, and systems as are required to assure the availability of adequate telephone service to the widest

HB 802

practicable number of rural users thereof, provided that no duplication of lines, facilities, or systems providing reasonably adequate service will result therefrom;

(b) make loans to persons to whom telephone service is or will be supplied by the cooperative for the purpose of and otherwise to assist such persons in wiring their premises for telephone service and installing therein telephone fixtures, appliances, apparatus, and equipment of any and all kinds and character and, in connection therewith, purchase, acquire, lease, sell, distribute, install, and repair such telephone fixtures, appliances, apparatus, and equipment and accept or otherwise acquire and sell, assign, transfer, endorse, pledge, hypothecate, and otherwise dispose of notes, bonds, and other evidences of indebtedness and any and all types of security therefor;

(14) do and perform any and all other acts and things and have and exercise any and all other powers which may be necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized."

Section 4. Effective date. This act is effective on passage and approval.

-End-

February 19, 1979
Business & Industry
46th Legislative Session

The Business & Industry Committee held a meeting in room 437 at 8:00 a.m. on Feb. 19, 1979. Chairman Quilici called the meeting to order. All members were present for the start of the meeting but several members were excused later in the meeting.

Hearing was opened on HB 773.

Rep. Seifert, sponsor, explained the purpose of the bill for the committee. The bill would create a pilot grant cost -sharing program on Flathead Lake for Marina operators to install facilities to dispose of solid waste material.

There were no other proponents to the bill.

There were no opponents to HB 773.

Questions from the committee followed. Rep. Seifert closed on HB 773.

Hearing on HB 815.

Rep. Nathe, sponsor, introduced the bill to the committee. The bill would exempt the Dept. of Public Service Regulation from the requirements of the Montana Environmental Policy Act.

Mr. Bill Opitz, MPSC, testified in support of the bill. Mr. Opitz written comment sheet is attached.

Following questions, Rep. Nathe closed on HB 815.

Hearing on HB 769.

Rep. Azzara, sponsor, introduced the bill to the committee. The bill would require that bonds issued by local Government units or districts be offered first to local residents in the smallest possible denominations. (The bill would include only certain bonds listed in the bill.) This would allow people without large amounts of money to get in on these bonds.

Questions from the committee followed.

Rep. Azzara closed on HB 769.

HJR 37

Rep. Azzara, sponsor, introduced the bill to the committee. He passed out an amended version of the bill to the committee. (see attached) The resolution would outline to the Congress of the United States and the Legislatures of Idaho, Washington, and Oregon, Montana's position with regard to the Pacific Northwest Electric Power Planning and Conservation Act.

Other proponents speaking in support of the bill were Mr. Richard Strong, Wayne Worthington and Dick Merril, landscape architects concurring with other proponents.

Mr. Sonny Hanson also spoke in favor of the bill.

There were no opponents to HB 817.

Questions from the committee followed.

Rep. Fagg closed on HB 817.

Hearing on HB 802.

Rep. Lein, sponsor, introduced the bill to the committee. The bill would amend the Rural Electric and Telephone Cooperative Act to authorize rural telephone cooperatives to establish, maintain and operate cable television and broadband systems.

Mr. Henry Sutton, representing Mid-Rivers Telephone Cooperative, gave testimony in support of the bill. He stated that it is important that the rural community have the same advantages as the cities. He stated that the present system is very inadaquate.

Mr. Gilfeather, also representing Mid-Rivers, gave support of the bill. He went thru the sections of the bill and explained the intent to the committee.

Mr. Riley Childers, Mt. Telephone Asso, testified in support of HB 802.

Others testifing in support of the bill were Mr. Chris Kay, Blackfoot Telephone Cooperative, Mr. Lloyde Lanius, Northern Telephone Coop., and Mr. Dale Flack, Mid-Rivers Coop.

There were no opponents to HB 802.

Questions from the committee followed.

Rep. Lein closed on HB 802.

EXECUTIVE SESSION:

HB 773

Rep. Stobie made a motion that HB 773 DO PASS. Discussion on the motion followed. A vote was taken and carried 13 - 3 with 3 absent. Rep. Harper, Rep Spilker and Rep. Cooney voted no.

HB 773 cont.

Rep. Stobie moved that the statement of intent for HB 773 be adopted by the committee. Discussion was held. A vote was taken and carried unanimously.

HB 769

Rep. Kessler moved that the amendments (see attached) be adopted. Discussion on the amendments followed. A vote was taken and carried unanimously.

Rep. Cooney made the motion that HB 769 AS AMENDED DO PASS. Following discussion on the motion a vote was taken and carried with four (4) Rep. voting no, (Rep. Tropila, Stobie, Oberg and Meyer).

HB 802

Rep. Jensen moved that HB 802 DO PASS. The motion was discussed. A vote was called and carried unanimously.

HB 815

Rep. Tropila moved that HB 815 DO PASS. Discussion was held. A vote was taken and carried unanimously.

HB 817

Rep. Tropila moved that HB 817 receive a DO PASS recommendation. Discussion on the motion followed. A vote was taken and carried. Rep. Stobie voted no.

HJR 37

Rep. Tropila recommended that the committee adopt the amendments submitted by Rep. Azzara. The motion was discussed. A vote was taken and carried unanimously.

Rep. Nathe moved that the amendment submitted by Mr. Larr be adopted. (See attached amendments) The motion was discussed. A vote carried unanimously.

Rep. Tropila made a motion that HJR 37 AS AMENDED DO PASS. The motion was discussed. A vote was taken and carried unanimously.

HB 793

Discussion was held on amending the bill to include a grandfather clause. It was decided that the staff attorney could come up with one from the original draft of the bill submitted by Rep. Fabrega.

MINUTES OF THE MEETING
BUSINESS & INDUSTRY COMMITTEE
MONTANA STATE SENATE

March 5, 1979

The meeting of the Business and Industry Committee was called to order by Chairman Frank Hazelbaker on the above date in Room 404 of the State Capitol Building at 10:00 A.M.

ROLL CALL: All members were present.

HOUSE BILL 609: Chairman Hazelbaker called on Representative Joe Tropila, sponsor of HB 609, to explain the bill to the Committee. This bill is an act requiring newspapers published in the State of Montana to indicate the author of any editorial comment.

PROPONENTS OF HOUSE BILL 609: Representative Paul Pistoria spoke in support of HB 609.

Representative Edward Lien stated he is in support of HB 609.

OPPONENTS OF HOUSE BILL 609: Mr. Mike Meloy, representing Lee Newspapers, stated they oppose HB 609. He stated this bill interferes with the newspaper publishing business. He also stated there is no provision for the enforcement of the bill, and it singles out Montana newspapers.

Mr. Harold Stearns, representing the Montana Press Association, stated they are in opposition to HB 609. The newspapers stand behind the information they publish.

There were questions from the Committee.

Senator Goodover stated he didn't think the bill would solve any problem.

Senator Dover wondered how this bill would hurt Montana.

Mr. Meloy stated the Wall Street Journal doesn't have to sign editorials. In Montana the Montana newspapers are singled out.

Senator Dover stated that perhaps this would give more credibility to what people have to say.

Representative Tropila made closing remarks in support of HB 609.

Chairman Hazelbaker closed the hearing on House Bill 609.

HOUSE BILL 650: Representative Robert Pavlovich, sponsor of House Bill 650, explained the bill to the Committee. This bill

is an act to change the expiration date of the law relating to joint underwriting associations for medical liability insurance.

PROPONENTS OF HOUSE BILL 650: Mr. Jerry Loendorf, representing M.M.O., stated they support the bill.

There were no other proponents or opponents present at the hearing. Mrs. Driscoll of the Insurance Department stated they neither support nor oppose the bill.

DISPOSITION OF HOUSE BILL 650: Senator Bob Peterson moved that HB 650 be concurred in. The Committee voted unanimously that HOUSE BILL 650 BE CONCURRED IN and placed on the Consent Calendar.

Senator Peterson will carry House Bill 650 on the floor.

HOUSE BILL 802: Representative Edward Lien, sponsor of HB 802, explained the bill to the Committee. This bill allows rural telephone cooperatives to establish and operate cable television and broadband systems.

PROPONENTS OF HOUSE BILL 802: Mr. Riley Childers, Great Falls, Montana, representing Montana Telephone Association, explained the bill further to the Committee. They are in support of HB 802.

Mr. P. J. Gilfeather, Great Falls, Montana, representing Mid-Rivers Telephone Coop., spoke in support of HB 802, stating this bill provides for the rural telephone people to furnish the services of cable television and the services of broadband to their members.

Mr. James J. Behan, Circle, Montana, representing Mid-Rivers Telephone Cooperative, Inc., spoke in support of HB 802. They want to get medical alarm services that could be provided and feel these services could be provided at a reasonable cost.

Mr. Lloyd Lanius, representing Northern Telephone Coop., and Montana Telephone Association, Shelby, Montana, spoke in support of HB 802. He stated that cable is not as good a quality as it could be, and they would like to be able to put it in their forward planning.

Sharon Peterson, Winidred, Montana, representing N.F.O. Farm Bureau, and Farmers Union, stated they support the bill.

There were no opponents to the bill.

Senator Dover wondered about the cost.

Mr. Behan stated they could be provided separately from the telephone. They probably would get a separate billing for it.

DISPOSITION OF HOUSE BILL 802: Senator Lowe moved that House Bill 802 be concurred in. Senator Dover seconded the motion. The Committee voted unanimously that HOUSE BILL 802 BE CONCURRED IN.

Senator Lowe will carry the bill on the floor.

HOUSE BILL 846: Representative Steve Waldron, sponsor of HB 846, explained the bill to the Committee. This bill is an act to generally revise the laws relating to real estate brokers and salesmen.

PROPONENTS OF HOUSE BILL 846: Mr. Cliff Christian, representing the Montana Association of Realtors, stated they support HB 846.

There were no other proponents or opponents to HB 846 at the hearing.

Representative Waldron made closing remarks in support of HB 846, and Chairman Hazelbaker then closed the hearing on House Bill 846.

HOUSE BILL 881: Representative Chris Stobie explained the bill to the Committee for Representative Quilici, sponsor of HB 881, who was uanble to be present at the hearing. This bill is an act to re-establish the Board of County Printing.

PROPONENTS OF HOUSE BILL 881: Mr. Hal Stearns, representing the Montana Press Association, stated they support House Bill 881. Mr. Stearns distributed a statement to the Committee which is attached to the minutes.

Mr. Mike Meloy, representing the Montana Press Association, stated they support HB 881. Mr. Meloy stated that without HB 881, there is no method of determining what the cost of printing should be.

OPPONENTS OF HOUSE BILL 881: Vicki Johnson, Columbus, Montana, representing the Stillwater and Columbus News, stated they are in opposition to HB 881 because they see no need for the bill.

There was a question and answer period from the Committee.

Representative Stobie made closing remarks. He feels they would have a bad situation without the State Printing Board, and urged passage of HB 881.

Chairman Hazelbaker closed the hearing on House Bill 881.

ROLL CALL

BUSINESS & INDUSTRY COMMITTEE

46TH LEGISLATIVE SESSION - - 1979 Date March 5

NAME	PRESENT	ABSENT	EXCUSED
Pat Goodover, Vice Chairman	✓		
Chet Blaylock	✓		
Harold Dover	✓		
Tom Hager	✓		
Allen Kolstad	✓		
Bill Lowe	✓		
John Mehrens	✓		
Bob Peterson	✓		
Pat Regan	✓		
Frank Hazelbaker, Chairman	✓		

STANDING COMMITTEE REPORT

March 5, 19 79

MR. President:

We, your committee on Business and Industry

having had under consideration House Bill No. 802

Lien (Lowe)

Respectfully report as follows: That House Bill No. 802

BE CONCURRED IN

Chairman.

STATE PUB. CO.
Helena, Mont.

NAME: Riley W. Childers DATE: March 5/79

ADDRESS: P.O. 1306 Great Falls, Mont

PHONE: 454-1521

REPRESENTING WHOM? Mont Telephone Assn

APPEARING ON WHICH PROPOSAL: H.B. 802

DO YOU: SUPPORT? ✓ AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: P.J. Gilfeather DATE: 3/5/79

ADDRESS: 2816 4th Ave So Great Falls 59405

PHONE: 453-6700

REPRESENTING WHOM? Mid Rivers Tel. Coop.

APPEARING ON WHICH PROPOSAL: HB 902

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: JAMES J BEHAN DATE: MAR 5

ADDRESS: CIRCLE MT 59215

PHONE: 485-3301

REPRESENTING WHOM? MID-RIVERS TELEPHONE COOPERATIVE INC

APPEARING ON WHICH PROPOSAL: HOUSE BILL 602

DO YOU: SUPPORT? YES AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: LLOYD LANIUS DATE: 3-5-79

ADDRESS: 959 No MARIAS Ave SHELBY MT

PHONE: 406-434-2790

REPRESENTING WHOM? Northern Telephone Coop - Mt. Tel Assn

APPEARING ON WHICH PROPOSAL: HB 802

DO YOU: SUPPORT? ✓ AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Sharon Peterson DATE: March 5-79

ADDRESS: Rt 1 Box 1 Winifred Mt. 59489

PHONE: 462-5543. Home 443-5343. Work

REPRESENTING WHOM? WIFE, NFO FARM Bureau, Farmers Union

APPEARING ON WHICH PROPOSAL: HB 802

DO YOU: SUPPORT? ✓ AMEND? _____ OPPOSE? _____

COMMENTS: _____

This would be good for people in rural area

who

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

HOUSE BILL NO. 802

INTRODUCED BY LIEN

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE RURAL ELECTRIC AND TELEPHONE COOPERATIVE ACT TO AUTHORIZE RURAL TELEPHONE COOPERATIVES TO ESTABLISH, MAINTAIN, AND OPERATE CABLE TELEVISION AND BROADBAND SYSTEMS AND FACILITIES FOR THE BENEFIT OF ITS TELEPHONE CUSTOMERS; AMENDING SECTIONS 35-18-102, 35-18-105, AND 35-18-106, MCA; AND PROVIDING AN EFFECTIVE DATE."

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(b) "Broadband" means transmission facilities capable of handling frequencies greater than those required for high grade voice communication (higher than 4 kilohertz).

~~(a)~~(c) "Member" means each incorporator of a cooperative and each person admitted to and retaining membership therein and shall include a husband and wife admitted to joint membership.

~~(b)~~(d) "Person" includes any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic.

~~(c)~~(e) "Rural area", as applied to all corporations organized under the provisions of 35-18-105(1), means any area not included within the boundaries of any incorporated or unincorporated city, town, village, or borough having a population in excess of 3,500 persons on March 17, 1939, or subsequent thereto, and every incorporated municipality in which 95% or more of the premises are served by an electric cooperative on February 1, 1971; "rural area", as applied to all corporations organized under the provisions of 35-18-105(2), means any area not included within the boundaries of any incorporated or unincorporated city or town having a population in excess of 1,500 persons."

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REFERENCE BILL

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(4) become a member in one or more other cooperatives or corporations or to own stock therein;

(5) construct, purchase, take, receive, lease as

lessee, or otherwise acquire and to own, hold, use, equip, maintain, and operate and sell, assign, transfer, convey, exchange, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber electric transmission and distribution lines or systems, electric generating plants, electric refrigeration plants, telephone lines, facilities or systems (but not telegraph or radio broadcasting services or facilities) as defined by law, lands, buildings, structures, dams, plants and equipment, and any and all kinds or classes of real or personal property whatsoever, which shall be deemed necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized;

(6) purchase or otherwise acquire and own, hold, use, and exercise and sell, assign, transfer, convey, mortgage, pledge, hypothecate, or otherwise dispose of or encumber franchises, rights, privileges, licenses, rights-of-way, and easements;

(7) borrow money and otherwise contract indebtedness and issue notes, bonds, and other evidences of indebtedness therefor and secure the payment thereof by mortgage, pledge, deed of trust, or any other encumbrance upon any or all of its then owned or after-acquired real or personal property, assets, franchises, revenues, or income;

(8) construct, maintain, and operate electric

transmission and distribution lines or telephone, cable television, or broadband lines, facilities, or systems along, upon, under, and across all public thoroughfares, including without limitation all roads, highways, streets, alleys, bridges, and causeways and upon, under, and across all publicly owned lands, subject, however, to the same requirements in respect of the use of such thoroughfares and lands as are imposed by the respective authorities having jurisdiction thereof upon corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(9) exercise the power of eminent domain in the manner provided by the laws of this state for the exercise of that power by corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(10) conduct its business and exercise any or all of its powers within or without this state;

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(a) "Cable television system" means a system that receives and amplifies the signals broadcast by one or more television stations and redistributes the signals to subscribing members of the public for a fixed or periodic fee by wire, cable, microwave, or other means, whether such means are owned or leased.

(b) "Broadband" means transmission facilities capable of handling frequencies greater than those required for high grade voice communication (higher than 4 kilohertz).

~~(a)~~(c) "Member" means each incorporator of a cooperative and each person admitted to and retaining membership therein and shall include a husband and wife admitted to joint membership.

~~(b)~~(d) "Person" includes any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic.

~~(c)~~(e) "Rural area", as applied to all corporations organized under the provisions of 35-18-105(1), means any area not included within the boundaries of any incorporated or unincorporated city, town, village, or borough having a population in excess of 3,500 persons on March 17, 1939, or subsequent thereto, and every incorporated municipality in which 95% or more of the premises are served by an electric cooperative on February 1, 1971; "rural area", as applied to all corporations organized under the provisions of 35-18-105(2), means any area not included within the boundaries of any incorporated or unincorporated city or town having a population in excess of 1,500 persons."

Section 2. Section 35-18-105, MCA, is amended to read:

"35-18-105. Permissible purposes for incorporation.

REFERENCE BILL

Cooperative nonprofit membership corporations may be organized under this chapter for the following purposes:

(1) for the purpose of supplying electric energy and promoting and extending the use thereof in rural areas, as provided in this chapter;

(2) for the ~~purpose~~ purposes of making generally available in rural areas adequate telephone service, cable television service, or broadband facilities through the improvement and expansion of existing telephone, cable television, or broadband facilities and the construction and operation of such additional facilities as are required to assure the availability of such service to the widest practicable number of rural users thereof, provided that nonduplication of lines, facilities, or systems providing reasonably adequate service will result therefrom."

Section 3. Section 35-18-106, MCA, is amended to read:

"35-18-106. Powers of cooperatives. A cooperative shall have power to:

(1) sue and be sued in its corporate name;

(2) have perpetual existence;

(3) adopt a corporate seal and alter the same at pleasure;

(4) become a member in one or more other cooperatives or corporations or to own stock therein;

(5) construct, purchase, take, receive, lease as

lessee, or otherwise acquire and to own, hold, use, equip, maintain, and operate and sell, assign, transfer, convey, exchange, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber electric transmission and distribution lines or systems, electric generating plants, electric refrigeration plants, telephone lines, facilities or systems (but not telegraph or radio broadcasting services or facilities) as defined by law, lands, buildings, structures, dams, plants and equipment, and any and all kinds or classes of real or personal property whatsoever, which shall be deemed necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized;

(6) purchase or otherwise acquire and own, hold, use, and exercise and sell, assign, transfer, convey, mortgage, pledge, hypothecate, or otherwise dispose of or encumber franchises, rights, privileges, licenses, rights-of-way, and easements;

(7) borrow money and otherwise contract indebtedness and issue notes, bonds, and other evidences of indebtedness therefor and secure the payment thereof by mortgage, pledge, deed of trust, or any other encumbrance upon any or all of its then owned or after-acquired real or personal property, assets, franchises, revenues, or income;

(8) construct, maintain, and operate electric

transmission and distribution lines or telephone, cable television, or broadband lines, facilities, or systems along, upon, under, and across all public thoroughfares, including without limitation all roads, highways, streets, alleys, bridges, and causeways and upon, under, and across all publicly owned lands, subject, however, to the same requirements in respect of the use of such thoroughfares and lands as are imposed by the respective authorities having jurisdiction thereof upon corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(9) exercise the power of eminent domain in the manner provided by the laws of this state for the exercise of that power by corporations constructing or operating electric transmission and distribution lines or systems or telephone lines, facilities, or systems;

(10) conduct its business and exercise any or all of its powers within or without this state;

(11) adopt, amend, and repeal bylaws;

(12) in the case of corporations organized under the provisions of 35-18-105(1):

(a) generate, manufacture, purchase, acquire, accumulate, and transmit electric energy and distribute, sell, supply, and dispose of electric energy in rural areas to its members, to governmental agencies and political

subdivisions, and to other persons not in excess of 10% of the number of its members;

(b) make loans to persons to whom electric energy is or will be supplied by the cooperative for the purpose of and otherwise to assist such persons in wiring their premises and installing therein electrical and plumbing fixtures, appliances, apparatus, and equipment of any and all kinds and character and, in connection therewith, purchase, acquire, lease, sell, distribute, install, and repair such electrical and plumbing fixtures, appliances, apparatus, and equipment and accept or otherwise acquire and sell, assign, transfer, endorse, pledge, hypothecate, and otherwise dispose of notes, bonds, and other evidences of indebtedness and any and all types of security therefor;

(c) make loans to persons to whom electric energy is or will be supplied by the cooperatives for the purpose of and otherwise to assist such persons in constructing, maintaining, and operating electric refrigeration plants;

(13) in the case of corporations organized under the provisions of 35-18-105(2):

(a) improve and expand existing telephone lines, facilities, and systems in rural areas and construct, acquire, operate, and furnish such additional telephone lines, facilities, and systems as are required to assure the availability of adequate telephone service to the widest

practicable number of rural users thereof, provided that no duplication of lines, facilities, or systems providing reasonably adequate service will result therefrom;

(b) make loans to persons to whom telephone service is or will be supplied by the cooperative for the purpose of and otherwise to assist such persons in wiring their premises for telephone service and installing therein telephone fixtures, appliances, apparatus, and equipment of any and all kinds and character and, in connection therewith, purchase, acquire, lease, sell, distribute, install, and repair such telephone fixtures, appliances, apparatus, and equipment and accept or otherwise acquire and sell, assign, transfer, endorse, pledge, hypothecate, and otherwise dispose of notes, bonds, and other evidences of indebtedness and any and all types of security therefor;

(14) do and perform any and all other acts and things and have and exercise any and all other powers which may be necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized."

Section 4. Effective date. This act is effective on passage and approval.

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